

# Romney For Governor Campaign Is Warming

"State government in Michigan today is big business—one of the biggest we have. Each year, state government takes in about one and a quarter billion dollars and spends about one and a quarter billion dollars. Of course, in eight of the last twelve years, the state government has spent more than it has taken in. But with a balanced budget, income is supposed to equal outgo.

"Now, this billion dollars plus in revenue comes from all sources—directly from the taxpayers' pocket to the state treasury in the form of sales taxes, business taxes, cigarette taxes and beer taxes; it also comes from the taxpayers' pocket in the form of payment for one or another specific state service, such as gasoline taxes for roads, hunting license fees for conservation, and so forth; and part of it comes from the Federal government—the 'free money' that nobody pays. But we know the myth of that thinking every April 15th when Income Tax time rolls around. We pay much more than we get back.

"All of these things go into the kitty to make the billion dollars plus a year business of Michigan state government.

"Now, before anyone here nods to his neighbor and makes the comment, I'd like to make it first. There's a whole of a difference between business and government. Business operates to meet our various needs on a competitive private voluntary basis; government operates through compulsion to protect our freedoms and individual responsibilities, and do the things we can't do as well for ourselves individually or in cooperation with each other. Now many people think business operates solely for profit, and government operates primarily for service. Following this theory, which is the basic one most people hold today, business should not give a hoot about providing service, and government should not worry about whether it ends up in the black or red. Well, personally, I don't think either of these ideas in a sound one. And I speak from experience in having been active for years, both in business and in government. Business, to fill its proper role in our society, must concern itself with more than making a profit; it must render service and share progress it makes with the consumers and with the workers it employs as well as with the investors who hold the pursestrings. Any company, to fill its proper role, must have not only a cash register, but a heart. And my personal record in this regard is well-known and clear for all to see.

"At the same time, I believe that government has a financial responsibility, too, as well as its primary responsibility to protect our freedom and to provide services government can best supply. I believe that government has the responsibility to keep tax burdens as low as possible, to maintain a tax structure as equitable as possible, and to provide its services as economically and efficiently as possible.

"Any government must be able to assure a full and fair return for the people's money.

"The cost of government is a major and increasing burden upon the individual paycheck and the entire economy. Any waste, no matter how small, represents an unnecessary diversion from a better use of funds by the people themselves or for the necessary functions of government.

"Governmental institutions and those persons who benefit financially from Government administered programs should welcome economical and efficient administration, because sound money management permits a dollar to do more in terms of providing public services.

"Let's look at a few current trends in Michigan governmental finances.

"Since 1950, state taxes have risen 150 percent, to \$942 million

in 1961. On a per capita basis, state taxes have doubled from \$59 to \$118 per person since 1950.

"Local taxes have increased 159 percent during that same period.

"In those eleven years, total state government expenditures more than doubled, from \$556 million to \$1.2 billion.

"At the same time, our state general fund operating deficit has been increasing. During eight of the last twelve years, Michigan has operated in the red. The current deficit is about \$85 million dollars. And mind you, in 1945 Michigan had a surplus of \$79 million.

"In addition to these startling figures, our state bonded indebtedness has been increasing at a terrific rate. In 1950, it was just under \$200 million (\$193.5 million), while in 1961 it was over \$700 million (\$709.2 million). That's an eleven year increase of 267 percent.

"Now, there are some compensating factors for these frightening figures. Our state population has increased by 25 percent during the 1950s, and some increases in taxes, spending and debt are to be expected.

"In addition, the cost of living has increased by about 26 percent, and this increase should cause higher overall financing.

"But the real question is this: Aren't we spending more now, but enjoying it less?

"These figures, which I have cited just briefly indicate several things. Even though taxes have soared, bonded debt and operating deficits or deficits still have increased.

"Despite increases in state taxes nearly every year, periodic barrel-scrappings, and emptying one cookie jar after another—the state has continual fiscal deficits and annual and growing deficits.

"Fiscal irresponsibility and money mismanagement, along with other things, have given Michigan the reputation of a 'problem state' which stumbles from crisis to crisis.

"And, like a squirrel on a treadmill, Michigan's image as a problem state has hampered our economic growth and progress, which in turn limits our tax bases.

"Michigan cannot have adequate public services at less than exorbitant tax rates until we have a vibrant and growing economic base that will provide sufficient tax resources.

"Now, I happen to know a little bit about how to clean up a financial mess. I inherited a financial mess when I became the President of American Motors. And I know that you don't put your fiscal house in order just by setting in more revenue. If we had just sold more cars, American Motors would not have survived.

"I know from experience that you've got to look at every aspect of your operations and establish the essentiality of everything you're doing. And I know that you've got to carry out these essential services in the most efficient and economical manner possible. That's the only way a fiscal problem can be licked.

"At American Motors, for example, we cut out the supplying of free gasoline to executives' cars. The first person that hit was me. We sold a couple of airplanes. We cut out expensive and unnecessary red tape. And we expanded our operations into some other areas. And we never had a payless payday, either.

"These specific details are not important to our discussion; the point is that to solve a financial mess, you've got to take a searching look into everything you're doing; and to make significant changes, you've got to do it from within the organization.

"Meaningful savings can be achieved in state government. What makes me believe this? Well, there are a few indications here and there.

(Continued next week)



**LEGAL DEFENSE FUND ATTORNEYS**—Frank H. Heffron (left), Norman Amaker (center) and George Smith are new additions to the NAACP Legal Defense Fund staff. Frank Heffron and George Smith are 1962 law school graduates.

Heffron from Columbia, Smith from Yale. Norman Amaker returned this month from ten months active duty with the Army Reserves. He had joined the Legal Defense Fund staff in 1961.

## FDA Discusses Packaging Problem; Shop For Credit

**PACKAGING PROBLEM!** Officials are warning housewives to give careful attention to all semiperishables sold in fancy wrappings. The reason: a great amount of foreign substances migrate into the foods from the wrapping material. These substances change the taste of food and many foods undergo a bacteriological change that can't be detected until the food is put on the table.

The agency is most concerned about coated materials, films, and liners, plastics and compounds known as plasticizers. Unless the foreign additive is actually toxic, however, the agency cannot keep the package off the market.

The family shopper should remember that this packaging prolongs "shelf life" of some foods, but may result in poorer quality of the product.

**ANOTHER PACKAGING PROBLEM!** One of the greatest problems of the shopper is determining if a package is of uniform quality.

Has this ever happened to you? You buy what appears to you to be a package of shops of uniform cut and grade. You get home and under the top layer of chops are a few bones, fat and inferior chops for which you have paid a top quality price. It's irritating.

This is not a practice of all markets, but it does happen all too often. The wise shopper will inspect every package carefully if she is to get her money's worth.

**SHOP FOR CREDIT!** Many people will shop carefully for food, clothing and other necessary items but seldom shop for credit. It can be an important item.

Credit costs can and do vary from 12 per cent to more than 50 per cent a year. Lenders try to disguise these costs by stating them as "pennies per day" or 2 1/4 per cent per month on the unpaid balance. Even banks have been known to conceal the true interest rate on installment loans.

Credit charges are usually stated in percentage, but the percentages are not true interest. Roughly speaking, the true interest is just about double the stated carrying charge.

For instance, here's what you pay for credit, if it is added to the purchase price and the total is repaid in 12 equal monthly installments: 4 per cent per year, you pay 7.3 per cent; 6 per cent per year, you pay 10.9 per cent; 8 per cent per year, you pay 14.5 per cent; 10 per cent per year, you pay 18 per cent; and 1 per cent a month, you pay 21.5 per cent.

**MOM DOES THE MARKETING.** The American housewife spends most of the average U. S. family's income. Practically all of the food shopping is done by the housewife.

Surveys show that Mom is the best shopper, but Dad is the biggest spender. He is inclined to shop for foods he likes to cook and new products.

Incidentally, reports show that in 1939 groceries took 23 per cent of the consumer's after-tax income today.

**NEW PRODUCTS!** A new item called "water shoes" is making headway with the water set, those Americans who have taken up boating and water skiing in increasing numbers in recent years. The "shoes" are made of urethane

so buoyant that seven-pound "shoes" will hold up practically anybody. Use them, the advertisements say to play ball, walk to your boat and stroll across the lake. What next?

## Virginia Court Prohibits Laws Against NAACP

**RICHMOND, Va.**—The right of the National Association for the Advancement of Colored People and of the NAACP Legal Defense and Educational Fund, Inc., to advocate racial integration and to underwrite legal expenses for desegregation litigation in the State of Virginia has been affirmed by the Circuit Court of Richmond.

In a decision striking down two of a packet of seven anti-NAACP statutes passed by the Virginia General Assembly in 1956, Judge Edmund W. Henning ruled that neither organization may be required to register in order to "engage in activities relating to: (1) the advocating of racial integration or segregation, or (2) the raising of funds for the employment of counsel or payment of costs in connection with litigation in behalf of any race or color."

However, the judge also ruled that the NAACP may be required to register where it may be engaged in lobbying activity designed to influence legislation or in activity to create "racial conflicts involving violence."

This ruling limited the application of the law requiring registration. Two of the laws governing ethical standards of civil rights lawyers were declared unconstitutional by Judge Henning. Previously, the Supreme Court of Virginia had declared a similar anti-barratry law void and a United States District Court had struck down the three laws on which Judge Henning ruled in the state court.

The United States Supreme Court is scheduled to hear argument, October 9, on an appeal from a lower court decision upholding a statute providing for the revocation of licenses of civil rights lawyers.

Two of the seven laws providing for the establishment of legislative investigating committees have not been challenged in court by the NAACP.

**NATIONAL DEATH RATE UP** James M. Hare, Chairman of the Michigan State Safety Commission, reports that national highway death rates for the first half of the year were up five percent compared to a decrease in Michigan of a minus nine percent.

## Ralph Bunche Council To Hear Curtis Rodgers

The Ralph Bunche Neighborhood Council will have as one of its main speakers at their regular monthly meeting, Mr. Curtis E. Rodgers, Director of Neighborhood Services for the Mayor's Commission on Community Relations, on Tuesday, October 9, at 8 p.m. at 33660 Charlevoix.

Mr. Rodgers recently moved from the Department of Educational Services to the Department of Neighborhood Services with the Commission on Community Relations. The Commission on Community Relations is currently being considered as the enforcement body for the "Brickley Amendment" before the Common Council. Mr. Rodgers will give the objectives and the functions of the Commission.

The program is one of a series being presented by the Ralph J. Bunche Neighborhood Council in an effort to inform the community of the aims and functions of various public and private agencies in the City. Through their organization of block clubs, it is hoped that such programs will enhance community betterment.

Frank F. Firschild of Detroit Edison's Advertising Division will speak. His talk—entitled "Renaissance of a City"—will include a color slide presentation covering Detroit's waterfront Civic Center and proposed new Medical Center.

He will also discuss the metropolitan area's expanding expressway system and will give a brief progress report on the city's neighborhood redevelopment program.

The meeting will be held in the Lower Auditorium of the Franklin Settlement, and is scheduled to begin at 7:30 p.m.

## Quality Is The Key To Chrysler Warranty

Chrysler Corporation's five-year or 50,000 mile warranty is the result of unceasing efforts at all employee levels to build quality products, Harry E. Chesebrough, vice president and director of quality control for the company, said today.

The new, extended warranty covering the principal components of the engine to rear axle power train, on Chrysler Corporation cars and trucks beginning with the 1963 models is "a tangible expression of our confidence in the superiority of our products" and marks a significant advance toward the day of virtually worry-free personal transportation for the motoring public, Mr. Chesebrough said.

"This five-year or 50,000 mile 'power train' warranty is completely realistic. It is something that I personally have supported for a considerable time, and it is based on sound facts and years of experience," Mr. Chesebrough told automotive newsmen and business writers.

He was speaker at a press luncheon in the Sheraton-Cadillac Hotel where complete details of the warranty were made public for the first time.

"It is because of improved quality and reliability that Chrysler Corporation has introduced the new warranty."

The authorized dealer's warranty issued by the selling dealer directly to the purchaser includes the 12 months or 12,000 mile vehicle warranty coverage as well as the coverage of five years or 50,000 miles on power train components, Mr. Chesebrough explained.

The authorized dealer's warranty is contained in the Owner Service Certificate and Certified Car Care booklet to be furnished with each 1963 vehicle. The booklet will be printed with the serial number of the vehicle, and will be identified with the owner's name and the issuing dealer's name," Mr. Chesebrough said.

**Five Point Coverage**

"The warranty for five years or 50,000 miles, whichever comes first, will cover:

- "1—Engine block, head and all internal engine parts.
- "2—Transmission case and all internal transmission parts.
- "3—Torque converter.
- "4—Drive shaft and universal joints, excepting the dust cover.
- "5—Rear axle and differential and rear wheel bearings.

"The warranty on these units does not apply to related systems or accessory units such as ignition, electrical, fuel or cooling systems, engine or transmission controls and linkage, or manual gearshift lever and clutch assembly.

"The five-year or 50,000 mile

## VIC VET SAYS...

Q—Is a man a war veteran who was accepted for service in the Armed Forces but wasn't called to duty until after the war was over and then served for ten months?

A—To be a war veteran, part of the time must have been served before the official closing date of the war. Time served wholly after termination does not count as wartime service.

Q—How many states have given a bonus to veterans of the Korean Conflict?

A—Nineteen: Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Louisiana, Massachusetts, Michigan, Minnesota, Montana, New Hampshire, Ohio, Pennsylvania, Rhode Island, South Dakota, Vermont, Washington, and West Virginia.

Q—In general, what will be the annual premium if a 40-year-old World War II veteran converts his 5-year term plan insurance to GI ordinary life?

A—In general, the premium will be in the neighborhood of \$250 for a \$10,000 GI ordinary life policy.



**The Rev. Arthur L. Jelks**, president of the Baton Rouge, La., NAACP is now free on \$10,000 bail following his 45-minute arrest for "defamatory" statements against his southern district attorney and district court judge. Reverend Jelks said Negroes were being mistreated. Termed a "desperate criminal," Rev. Jelks was searched, finger printed, photographed, forced to don prison garb, and placed behind bars all within 45 minutes.

**FREE! FREE! FREE!**

**Aluminum Storm Door To Each Customer**

We Work With YOU — As YOU Will See — On Home Repairs and Things YOU NEED!

**FHA TERMS 5 YEARS TO PAY NOTHING DOWN**

Stone Fronts, Garages, Fences, Siding, Gutters, Plumbing, Cement Work, Room Additions, Heating, Electrical Roofing

Anything in Home Modernizing — City Violations Corrected—No Job Too Large Or Too Small!

Deal Direct (YOU SAVE!) **GREAT LAKES LUMBER Co.**

UN. 3-4399 UN. 3-4399 Call Now For Free Estimates

— SEE AND HEAR —  
**BLACKWELL — BENTLEY — ROMNEY**  
**PARADE**  
 TO CELEBRATE OPENING OF BLACKWELL-ROMNEY HDQRS.  
**Coming Soon**  
**STARTING At 12th ST. & WEST GRAND BLVD.**  
**ENDING At 12th And EDISON**